

# SHAREHOLDERS MEETING RESOLUTION



Date: 29 April 2025

No. SR-2025-04

Ulaanbaatar

Approval of Amendment to XacBank JSC Charter

Pursuant to decisions made at its Annual General Meeting held on 29 April 2025, the Shareholders of XacBank JSC (the "Bank") hereby adopt the following resolutions:

## IT IS NOTED THAT:

1. **WHEREAS**, the Financial Regulatory Commission ("FRC") has issued recommendations by its Governance Codex Evaluation advising the separation of nomination functions from compensation-related oversight pursuant to Clauses 81.5 and 81.6 of the Company Law;
2. **WHEREAS**, the Board of Directors (the "Board"), by its Resolution No. R-2025-08, has recommended the separation of the Governance, Nomination, and Compensation Committee into two distinct committees: (a) The Nomination Committee, responsible for overseeing director nominations, and succession planning; and (b) the Governance and Compensation Committee, responsible for overseeing corporate governance policies, board structure, compensation, remuneration policies, and incentive structures, and amend the Bank Charter to reflect such changes; and
3. **WHEREAS**, the Shareholders now wish to amend the Bank Charter accordingly as recommended by the Board.

## NOW THEREFORE BE IT RESOLVED THAT:

1. Pursuant to the foregoing, the following clauses the Bank Charter shall be amended as follows:

Current Formulation	Amended Formulation
8.14. No less than 1/3 (one third) of members of the BoD must be independent members, each of whom shall be selected and nominated by the Governance, Nomination and Compensation Committee who shall meet the requirements set forth in the Company Law, Banking Law and the relevant requirements set out by the BoM and the FRC. The independent members of the BoD shall exercise the right and responsibilities provided for in the Company Law, the Banking Law, the Securities Market Law and all other Applicable Laws including, but not limited to rules and regulations approved by the BoM, the FRC, and the MSE.	8.14. No less than 1/3 (one third) of members of the BoD must be independent members, each of whom shall be selected and nominated by the <b>Governance, Nomination and Compensation Committee</b> who shall meet the requirements set forth in the Company Law, Banking Law and the relevant requirements set out by the BoM and the FRC. The independent members of the BoD shall exercise the right and responsibilities provided for in the Company Law, the Banking Law, the Securities Market Law and all other Applicable Laws including, but not limited to rules and regulations approved by the BoM, the FRC, and the MSE.

8.29. The BoD shall have "Audit", "Risk Management", "Governance, Nomination and Compensation Committee" Committees and such other committees as the BoD may deem necessary or as required by the Applicable Laws (solely "Committee", together "Committees"). The BoD may delegate some of its authorities to the committees and this shall be regulated by the procedures of the Committees.	8.29. The BoD shall have <del>"Audit", "Risk Management", "Governance, Nomination and Compensation Committee"</del> Committees and such other committees as the BoD may deem necessary or as required by the Applicable Laws (solely "Committee", together "Committees"). The BoD may delegate some of its authorities to the committees and this shall be regulated by the procedures of the Committees.
8.30. No less than 2/3 (two thirds) of the members of the Audit Committee and, Governance, Nomination and Compensation Committee shall be comprised of independent members of the BoD as stipulated under the Company Law, Article 81.2.	8.30. No less than 2/3 (two thirds) of the members of the Audit Committee, <del>and, Governance, Nomination and Compensation Committee</del> <u>Nomination Committee, and Governance and Compensation Committee</u> shall be comprised of independent members of the BoD as stipulated under the Company Law, Article 81.2.
8.40. The Chief Executive Officer shall be prohibited to be a member of the Audit, Governance, Nomination and Compensation Committees and shall not have any voting rights on decisions which are related to appointment, selection and dismissal of the the Chief Executive Officer, its power and authority, as well as the supervision of his/her and performance.	8.40. The Chief Executive Officer shall be prohibited to be a member of the Audit, <del>Governance, Nomination, Nomination, and Governance</del> <u>and</u> Compensation Committees and shall not have any voting rights on decisions which are related to appointment, selection and dismissal of the the Chief Executive Officer, its power and authority, as well as the supervision of his/her and performance.

2. Munkhtselmeg N., the General Counsel and Corporate Secretary, is hereby instructed and authorized to submit and register the Amendment to the Charter aforementioned with the Bank of Mongolia and the Legal Entity Registration Office in accordance with relevant laws and regulations and to deliver any and all documents related thereto on behalf of the Bank.

CHAIRMAN OF THE  
SHAREHOLDERS' MEETING АСБАНК



*Sanjay Gupta*

SANJAY GUPTA